



**HOUSING AUTHORITY
of the County of Los Angeles**

700 W. Main Street • Alhambra, CA 91801

Tel: 626.262.4510 • TDD: 855.892.6095 • www.hacola.org

**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, FEBRUARY 26, 2014
12:00 PM
14622 FRANCISQUITO AVENUE
LA PUENTE, CA 91746
(626) 960-7207**

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1. Call to Order

2. Roll Call

**Alma Cibrian, Chair
James Brooks, Vice Chair
Michelle-Lynn Gallego
Zella Knight
Val Lerch
Margaret Mott
Henry Porter Jr.**

3. Reading and Approval of the Minutes of the Previous Meeting

Regular Meeting of January 22, 2014.

4. Report of the Executive Director

5. Presentation

Home Ownership Program – Silvia Delgadillo

6. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

Regular Agenda

7. Approve the Annual Plan for the Housing Authority of the County of Los Angeles (All Districts)

Recommend that the Board of Commissioners find that the activities in the Annual Plan are not subject to the provisions of the California Environmental Quality Act (CEQA); approve the Annual Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's program goals, major policies and financial resources, including the Capital Fund Program (CFP) Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Public Housing Program, the Public Housing Lease Agreement, and the Housing Choice Voucher Program Administrative Plan; adopt and instruct the Chairman to sign a Resolution approving the Annual Plan for submission to HUD, and authorize the Executive Director or his designee to take all actions required for implementation of the Annual Plan; authorize the Executive Director or his designee to execute all documents required to receive approximately \$4,367,895 in CFP funds from HUD and to be included in the FY 2014-2015 annual budget; authorize the Executive Director or his designee to incorporate into the Annual Plan all public comments received and approved for inclusion by the Board; and authorize the Executive Director or his designee to submit the Annual Plan to HUD by April 17, 2014. (APPROVE)

8. Adopt Resolution Authorizing Issuance of Tax-Exempt Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the City of Santa Monica (District 3)

Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of tax-exempt multifamily housing mortgage revenue bonds (Bonds) by the Housing Authority, in an amount not exceeding \$4,500,000 to Santa Monica RHCP, L.P. (Developer), a California Limited Partnership, to finance site acquisition and rehabilitation of 41 units of multifamily rental housing located at 1855 9th Street, 1450 14th Street, and 2006 20th Street in the City of Santa Monica; authorize the Executive Director or his designee to negotiate, execute and, if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Bonds, following approval as to form by County Counsel; find that adoption of this Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential for causing a significant effect on the environment. (APPROVE)

9. **Adopt Resolution Authorizing Issuance of Tax-Exempt Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the Unincorporated East Los Angeles (District 1)**

Recommend that the Board of Commissioners adopt and instruct the Chairman to sign the attached Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of tax-exempt multifamily housing mortgage revenue bonds (Bonds) by the Housing Authority, in an aggregate amount not exceeding \$2,300,000 to Villa Nueva RHCP, L.P. (Developer), a California Limited Partnership, to finance site acquisition and rehabilitation of a 21-unit multifamily rental housing development located at 658-676 S. Ferris Avenue in unincorporated East Los Angeles; authorize the Executive Director or his designee to negotiate, execute and, if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Bonds, following approval as to form by County Counsel; find that adoption of this Resolution is not subject to the California Environmental Quality Act (CEQA) because the action will not have the potential for causing a significant effect on the environment. (APPROVE)

10. **Housing Commissioners may provide comments or suggestions for future Agenda items.**

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 700 W. Main St., Alhambra, CA 91801. Access to the agenda and supporting documents are also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least (3) business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (626) 586-1501, or by e-mail at roberta.lear@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, January 22, 2014.

The meeting was convened at 700 W. Main Street, Alhambra, CA 91801.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Val Lerch at 12:09 p.m.

| <u>ROLL CALL</u> | <u>Present</u> | <u>Absent</u> |
|--------------------------|-----------------------|----------------------|
| Henry Porter | X | |
| Val Lerch, Chair | X | |
| Zella Knight | X | |
| James Brooks | X | |
| Alma Cibrian, Vice Chair | X | |
| Michelle-Lynn Gallego | X | |
| Margaret Mott | X | |

PARTIAL LIST OF STAFF PRESENT:

Sean Rogan, Executive Director
Emilio Salas, Deputy Executive Director
Maria Badrakhan, Director, Housing Management
Margarita Lares, Director, Assisted Housing
Scott Stevenson, Director, Community Development
Matt Fortini, Director, Administrative Services

GUESTS PRESENT:

None

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Knight, seconded by Commissioner Gallego with Commissioner Brooks and Commissioner Mott abstaining, the Minutes of the Regular Meeting of November 20, 2013 were approved.

Agenda Item No. 4 – Report of the Executive Director

Deputy Executive Director Emilio Salas reported the following:

Mr. Salas welcomed the Housing Commissioners to the Community Development Commission and Housing Authority of the County of Los Angeles Headquarters in the City of Alhambra. He welcomed and introduced Margaret Mott as the newly appointed Housing Commissioner for the Third District. Mr. Salas shared with the Housing Commissioners that Ms. Mott has recently worked as a staff member for Congressman Sherman.

Emilio Salas stated earlier this month Congress passed a budget of over a trillion dollars. He also stated that although it did not fully restore the funding cuts as a result of the sequester, it did restore some funding.

Emilio Salas informed the Housing Commissioners that overall the Housing Authority is receiving an increase to our funding levels, with the exception of the CDBG program formula grant which is being reduced. In addition, there are certain policy changes identified in the omnibus appropriations bill that will affect the Section 8 and Public Housing programs.

Emilio Salas thanked all of the staff and Commissioners that attended our holiday events at the various administrative and housing sites.

Emilio Salas informed the Housing Commissioners that the constituent inquiry from Maxine G. Wordell, Foothill Villa resident that was presented at the last meeting regarding her concerns at the Foothill Villa Senior housing development have been resolved.

Emilio Salas informed Housing Commissioners that NAHRO will be hosting the annual legislative conference on March 10th – 12th, 2013. He asked that if any Housing Commissioner would like to participate to please contact Donna Del Valle, for more information.

Emilio Salas stated that a mediation conference is scheduled with the Department of Justice for January 29th and 30th.

Emilio Salas announced that the U.S. Department of Housing & Urban Development (HUD) has approved our 20 year Housing Assistant Payment contract for the Lancaster Homes Senior housing development.

Emilio Salas stated HUD has recently approved the disposition of our administrative building located at 4800 Cesar Chavez, Los Angeles CA.

Agenda Item No. 5 - Presentation

Family Self Sufficiency (FSS) Graduate Presentation – Christina Lupo, Assisted Housing.

Agenda Item No. 6 - Public Comments

None at this time.

Regular Agenda

On Motion by Commissioner Knight seconded by Commissioner Brooks with Commissioner Mott and Cibrian abstaining, the following was approved by the Housing Commission:

AWARD TWO JOB ORDER CONTRACTS AND APPROVE A CONSTRUCTION TASK CATALOG (ALL DISTRICTS) AGENDA ITEM NO. 7

1. Recommend that the Board of Commissioners find that the award of the JOCs 16 and 17 and adoption of the Construction Task Catalog are exempt from California Environmental Quality Act (CEQA), for the reasons stated in this letter and in the record of the action.
2. Recommend that the Board of Commissioners award one Job Order Contract (JOC 16) to Access Pacific, Inc. for a not-to-exceed amount of \$4,300,000 to be financed through various program funds included in the annual approved budget.
2. Recommend that the Board of Commissioners award one Job Order Contract (JOC 17) to Torres Construction Corporation for a not-to-exceed amount of \$4,300,000, to be financed through various program funds included in the annual approved budget.
3. Recommend that the Board of Commissioners authorize the Executive Director or his designee to execute the Job Order Contracts in the form previously approved as to form by County Counsel, and to establish the effective date following receipt of approved Faithful Performance and Payment for Labor and Materials Bonds filed by Access Pacific, Inc. and Torres Construction Corporation.
4. Recommend that the Board of Commissioners authorize the Executive Director or his designee to issue work orders for the maintenance, repair, refurbishment, rehabilitation, retrofit, remodeling and other repetitive-type work on an as-needed basis of Housing Authority facilities and infrastructure, to Access Pacific, Inc. and Torres Construction

Corporation, in the aggregate work order amount not to exceed the maximum amount of each Job Order Contract.

5. Recommend that the Board of Commissioners adopt the September 2013 Job Order Contract Construction Task Catalog.
6. Recommend that the Board of Commissioners authorize the Executive Director or his designee, if necessary, to amend, or to terminate any of the two Job Order Contracts or to terminate the Contractor's right to proceed with the performance of Job Order Contracts.

On Motion by Commissioner Gallego and seconded by Commissioner Brooks and unanimously carried, the following was approved by the Housing Commission:

ACCEPTANCE OF A COMMISSION GENERAL FUND
LOAN AND AWARD OF CONSTRUCTION CONTRACT TO TORRES
CONSTRUCTION CORPORATION
FOR THE REPLACEMENT OF ROOFS AND COMMON AREA HEATING,
VENTILATION AND AIR CONDITIONING SYSTEM
AT THE LANCASTER HOMES MULTIFAMILY SENIOR HOUSING
DEVELOPMENT. (DISRICT 5)
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners find that the approval of the Contract and the project for the replacement of roofs and air conditioning system and associated work at the Lancaster Homes multifamily senior housing development is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this letter and the record of the project.
2. Recommend that the Board of Commissioners award and authorize the Executive Director or his designee to execute or amend a Contract and all related documents with Torres Construction Corporation, the lowest responsive and responsible bidder, in the amount of \$1,190,000 to complete the replacement of roofs, common area HVAC systems and associated work at the Lancaster Homes multifamily senior housing development, using Commission General Fund loan proceeds to be incorporated into the Housing Authority's approved Fiscal Year 2013-2014 budget.
3. Recommend that the Board of Commissioners authorize the Executive Director or his designee, if necessary, to terminate the contractor's right to proceed with the performance of the Contract or terminate the Contract.

4. Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve Contract change orders not to exceed \$238,000 for unforeseen project costs, using the Commission General Fund loan and following approval as to form by County Counsel.
5. Recommend that the Board of Commissioners authorize the Executive Director or his designee to accept a \$5,000,000 Commission General Fund loan to be paid back to the Commission over 20 years at a simple 3% fixed interest, and to incorporate up to \$1,428,000 in Commission General Funds into the Housing Authority's approved Fiscal Year 2013-2014 budget for the purposes described above.

On Motion by Commissioner Brooks seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

CONCURRENCE WITH THE BOARD APPROVAL OF THE SUBMITTAL OF RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM APPLICATIONS FOR VARIOUS PUBLIC HOUSING DEVELOPMENTS. (DISTRICTS 1, 2 & 4)
AGENDA ITEM NO. 9

1. Concur with the Board of Commissioners adopt and instruct the Chairman to sign the attached resolution approving submittal of RAD program applications to the U.S. Department of Housing and Urban Development (HUD).
2. Concur with the Board of Commissioners authorize the Executive Director or his designee to execute all related documents and to take any other necessary actions to comply with the requirements of the RAD program.
3. Concur with the Board of Commissioners find that submittal of the applications to HUD is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action is not defined as a project under CEQA.

On Motion by Commissioner Knight and seconded by Commissioner Gallego and unanimously carried, the following was approved by the Housing Commission:

CONCURRENCE WITH BOARD APPROVAL OF TWO MEMORANDA OF UNDERSTANDING WITH THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL 777. (ALL DISTRICTS)
AGENDA ITEM NO. 10

1. Concur with the Board's approval of two three-year MOUs between the Commission and LIUNA for both the Maintenance Worker and Program Specialist Bargaining Units, to be effective January 1, 2014 through December 31, 2016.

2. Concur with the Board's approval of a three-step General Salary Adjustment to the Commission's Salary Schedule to be paid out to all current employees effective January 1, 2014; January 1, 2015 and July 1, 2015 with 2% at each occurrence.
3. Concur with the Board's approval of a three-step increase to the employer contribution for all Optional Benefit plan participants to \$850 per month effective January 1, 2014, \$875 per month effective January 1, 2015, and \$900 per month effective January 1, 2016.
4. Concur with the Board's approval of an increase to standby compensation and a change in callback status for the Maintenance Worker Unit as described herein and reflected in the terms contained in the MOU.
5. Concur with the Board's approval of the use and incorporation of up to \$350,000 in Commission General Funds into the Commission's approved Fiscal Year 2013-2014 budget, to cover the General Salary Adjustment for January 1, 2014.
6. Concur with the Board's finding that the approval of the MOUs is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action will not have the potential for causing a significant effect on the environment.

On Motion by Commissioner Porter seconded by Commissioner Knight and unanimously carried, the following was approved by the Housing Commission:

APPROVAL OF 2014 HOUSING COMMISSION
MEETING SCHEDULE
AGENDA ITEM NO. 11

The following was approved by the Housing Commission:

ELECTION OF CHAIR AND VICE CHAIR 2014
AGENDA ITEM NO.12

On Motion by Commissioner Porter and unanimously carried, Commissioner Cibrian was elected Chair and will assume office at the February 26, 2014 meeting.

On Motion by Commissioner Knight and unanimously carried, Commissioner Brooks was elected Vice-Chair and will assume office at the February 26, 2014 meeting.

Agenda Item No. 13 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Commissioner Gallego congratulated the FSS graduate for her accomplishments. She welcomed Commissioner Mott and stated that it is nice to have a fresh face on the Commission.

Commissioner Porter welcomed Commissioner Mott and wished everyone a Happy New Year and good health and good fortune to all.

Commissioner Knight congratulated the new chair and vice chair to their appointed positions. She also informed the Commissioners that she had the opportunity to spend her vacation time speaking to a Congressional delegate regarding various concerns.

Commissioner Cibrian thanked staff for their continued hard work and dedication to the Housing programs. She welcomed Commissioner Mott to the Housing Commission and thanked her fellow Commissioners for her appointment as “Chair” for the new calendar year.


Commissioner Brooks wished everyone a Happy New Year. He welcomed Commissioner Mott to her new position and he congratulated Commissioner Cibrian on the upcoming birth of her child.

Commissioner Mott stated that it is nice to join the Housing Commission and she is looking forward to working with everyone.

Commissioner Lerch stated that the last year had been an honor to serve as the Housing Commission Chair. He welcomed Commissioner Mott to her new position.

On Motion by Commissioner Lerch and seconded by Commissioner Brooks, the Regular Meeting of January 22, 2014 was adjourned at 12:55 p.m.

Respectfully submitted,



SEAN ROGAN
Executive Director
Secretary –Treasurer

Housing Authority - County of Los Angeles

February 26, 2014

FOR YOUR INFORMATION ONLY

TO: Housing Commissioners

FROM: Margarita Lares, Director
Assisted Housing Division

RE: **FSS PROGRAM UPDATE – JANUARY 2014**

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Housing Choice Voucher Program Participants achieve economic independence and self-sufficiency.

ACTIVITIES

| | | |
|---------------------------------------|---|---|
| NUMBER CURRENTLY ENROLLED | 597 | As of January 1, 2014 |
| NEW ENROLLMENTS | 12 | FSS Participants Enrolled |
| CONTRACTS EXPIRED | 5 | FSS Contracts Expired |
| DIRECT ASSISTANCE REFERRALS | 123 25 431 64 30 72 5 4 3 546 0 | Workforce Centers Home Ownership Program/Seminars/workshops Job referrals Educational/Vocational Services Credit Repair Services Financial Literacy Individual Deposit Accounts Transportation Assistance Health & Food Services Other Social Services Youth Services |
| OUTREACH & COMMUNITY EVENT | 1 1 1 1 | Community Service Providers Meeting hosted by Whittier Community Center Regional Community Alliance hosted by the Department of Child and Family Services Southeast Area Social Services Funding Authority Partnership Meeting Housing Commission Meeting honoring 3 recent FSS graduates |
| GRADUATIONS | 4 | Graduations |
| Pending Graduations | 0 | Requests to Graduate received |

If you have any questions, please feel free to contact me at (626) 586-1671.

ML:MP:dt

Attachment

FAMILY SELF-SUFFICIENCY (FSS) GLOSSARY OF TERMS

Listed below are brief descriptions of each category in the monthly FSS Report.

1. **Number Currently Enrolled** – Current number enrolled on the FSS program as of the date the FSS Report is presented.
2. **New Enrollments** - The number of Participants enrolled in the FSS program with an effective date on the month the FSS Report is presented.
3. **Contract Expired** – The number of participant contracts that expired at the end of the month prior to the FSS Report presented.
4. **Direct Assistance Referrals** – Referrals sent to FSS participants based on their requests and or the participant's goals needed to be accomplished prior to successfully completing the program.
5. **Outreach and Community Events** – Information that was shared with FSS participants and or events or meetings the FSS Coordinators attended.
6. **Graduations** – FSS participants that graduated last month.
7. **Pending Graduations** – FSS participants who have requested to graduate and are pending review of successful completion of goals.



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February 26, 2014

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
700 West Main Street
Alhambra, California 91801

Dear Commissioners:

**APPROVE THE ANNUAL PLAN FOR THE HOUSING AUTHORITY OF THE COUNTY
OF LOS ANGELES
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of the Housing Authority's Annual Plan for Fiscal Year 2014-2015. The Annual Plan updates the Housing Authority's program goals, major policies, and financial resources. Submission of the Annual Plan is required by the U.S. Department of Housing and Urban Development for receipt of Capital Fund Program funds, operating funds for the Public Housing Program and administrative fees for the Housing Choice Voucher Program. Included as part of the Annual Plan are the updated Capital Fund Program Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Public Housing Program, the Public Housing Lease Agreement and the Housing Choice Voucher Program Administrative Plan.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the activities in the Annual Plan, as described herein, are not subject to the provisions of the California Environmental Quality Act (CEQA), because they will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the Annual Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's program goals, major policies and financial resources, including the Capital Fund Program (CFP) Annual Statement and Five-Year Action Plan,

the Admissions and Continued Occupancy Policy for the Public Housing Program, the Public Housing Lease Agreement, and the Housing Choice Voucher Program Administrative Plan.

3. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution approving the Annual Plan for submission to HUD, and authorize the Executive Director or his designee to take all actions required for implementation of the Annual Plan.
4. Recommend that the Board of Commissioners authorize the Executive Director or his designee to execute all documents required to receive approximately \$4,367,895 in CFP funds from HUD and to be included in the FY 2014-2015 annual budget.
5. Recommend that the Board of Commissioners authorize the Executive Director or his designee to incorporate into the Annual Plan all public comments received and approved for inclusion by the Board; and authorize the Executive Director or his designee to submit the Annual Plan to HUD by April 17, 2014.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Section 511 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA) mandates that the Housing Authority submit an Annual Plan for Fiscal Year 2014-2015.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. Upon approval of the Annual Plan, the Housing Authority will receive approximately \$4,367,895 in CFP funds from HUD for management improvements, administrative costs and housing rehabilitation for the Public Housing Program. Operating funds for the Public Housing Program and administrative fees for the Housing Choice Voucher Program will be approved through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 21, 1998, the QHWRA mandated that all housing authorities submit an Annual Plan every year and a Five Year Plan every five years to HUD.

The Five-Year Plan is a strategic planning document that identifies the Housing Authority's goals for the next five years. On March 26, 2013, the Board approved the current Five-Year Plan for Fiscal Years 2013-2017.

The Annual Plan identifies major program policies and financial resources. It updates information on housing needs, waiting lists, housing strategies, program policy changes and other program and management data. The Annual Plan must be updated each year, and was last approved by the Board on March 26, 2013.

Also included as part of the Annual Plan are the updated CFP Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Public Housing Program, the Public Housing Lease Agreement and the Housing Choice Voucher Program Administrative Plan. Significant changes to these documents are discussed below.

Capital Fund Annual Statement

During Fiscal Year 2012-2013, a total of 2,272 housing units were rehabilitated at fourteen Public Housing Program developments.

The Fiscal Year 2014-2015 Capital Fund Annual Statement summarizes the Housing Authority's plan to use modernization funds for management improvements, administrative costs and to rehabilitate 2,229 housing units at thirteen Public Housing Program developments. Included are proposed work items, estimated costs, and an implementation schedule for the work to be completed.

As authorized by HUD, the Executive Director may amend the CFP Annual Statement as necessary to respond to needs such as housing emergencies, to safeguard property or protect health and safety, or to implement other changes that are in the interests of the Housing Authority and public housing residents. The Executive Director may also implement changes to the CFP Annual Statement in response to changes in federal funding.

Public Housing Program Admissions and Continued Occupancy Policy

The purpose of the Public Housing Program Admissions and Continued Occupancy Policy (ACOP) is to set guidelines to determine eligibility for admission and continued occupancy. The revised ACOP reflects the following change:

In order to provide the Housing Authority with the flexibility to house more people, the maximum occupancy standards for each bedroom size will increase by one. For example, the maximum occupancy for a three-bedroom unit will increase from six to seven persons.

Housing Choice Voucher Program Administrative Plan

The purpose of the Housing Choice Voucher Program Administrative Plan is to set forth the policies and procedures that govern the Housing Authority's administration of rental

assistance under this program. The revised Housing Choice Voucher Program Administrative Plan reflects the following two changes:

First, the Housing Authority requires that a family porting in from another Housing Authority must have sufficient time on their voucher to complete the portability process. This timeframe had not previously been specified. Now, the Housing Authority will require that families who come from other Housing Authorities via portability must have a minimum of 45 days before their voucher expires. If a family wishing to move into the Housing Authority's jurisdiction should arrive with less than 45 days before their voucher expires, the family will be referred back to its original Housing Authority to request an extension.

Second, the Housing Authority is expanding its policy regarding the adjustment of contract rents. The current policy only addresses increases to contract rents. Now, the Housing Authority will allow for the reduction of contract rents under the following circumstances:

- The current contract rent to owner exceeds the reasonable rent as most recently re-determined by the Housing Authority as part of a rent comparability study.
- The owner submits a written request to reduce the contract rent.

The Housing Authority will also clarify the following policy areas in order to comply with regulations, guidance, and HUD notices released since last fiscal year.

Housing Choice Voucher Program

- The Housing Authority previously administered a program that set aside vouchers for homeless individuals referred to the Housing Authority by various community based organizations. A clarification of regulations by HUD does not allow the Housing Authority to continue to administer the set-aside program. The Housing Authority will instead institute a waiting list preference limited to homeless individuals who are referred to the Housing Authority by the various community based organizations that the Housing Authority partners with. This will allow the Housing Authority to continue serving the homeless population while preserving its partnerships with these organizations.
- The Housing Authority will now determine eligibility for homeless applicants using the same criteria as all other applicants, as mandated by HUD through a recent clarification. The Housing Authority will review the past three years for all criminal background checks and applicants on parole or probation will not be admitted to the program.

Project-Based Voucher Program

- Families whose portion of rent is equal to the full contract rent are considered to be self-sufficient and by regulation are no longer eligible to participate in the Project-Based Voucher Program. The Housing Authority is clarifying its policy to specify that the termination of assistance will be effective at the end of the first month that the family pays the full contract rent. If the family has resided in the unit for more than one year, the family may receive a Tenant-Based voucher. The voucher must be used for a unit that requires a Housing Assistance Payment by the Housing Authority.
- The Housing Authority is also clarifying through policy that families who have resided in a unit for more than 12 months will be eligible to request a Tenant-Based Section 8 voucher.

Shelter Plus Care Program

- The Shelter Plus Care (S+C) program is being renamed the Continuum of Care (CoC) program.

Family Unification Program

- Previously, the Housing Authority maintained a separate waiting list for families referred for participation in the Family Unification Program. Now, families who are referred to the Housing Authority for participation in the Family Unification Program will be maintained on the Housing Authority's main waiting list.

Public Housing Program and Housing Choice Voucher Program

First, the Housing Authority currently uses the passbook savings rate percentage as determined by HUD to calculate the income derived from assets for families whose total family assets exceed \$5,000 for both the Public Housing Program and the Housing Choice Voucher Program. The current passbook rate is set at 2%. The Housing Authority includes 2% of the family's assets that exceed \$5,000 in the calculation of income. Now, HUD requires the Housing Authority to establish its own passbook savings rate based on the Federal Deposit Insurance Corporation (FDIC) national savings rate and monitor it annually to ensure compliance. The passbook savings rate for Fiscal Year 2014-2015 will be set at 0.81%.

Second, the Public Housing and the Housing Choice Voucher Programs have revised their current policies as follows in order to comply with statutory changes resulting from the enactment of the Violence Against Women Reauthorization Act of 2013 (VAWA 2013):

- The protections under VAWA have been extended to victims of sexual assault.

- The Housing Authority is expanding protection for families that prohibit the termination of assistance if an immediate family member is the victim of domestic violence by replacing the term "immediate family member" with "affiliated individual". An affiliated individual is defined as "a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in place of a parent, or any individual, tenant, or lawful occupant living in the household of that individual."
- The Housing Authority is expanding protection under the bifurcation of lease by changing the definition of "violent acts" from "criminal acts of physical violence against family members or others" to "criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual".
- The Housing Authority is expanding its policy regarding the types of forms that victims may provide. Now, acceptable forms may include a record of an administrative agency or documentation from a mental health professional. Additionally, the victim is only required to provide the name of the perpetrator on HUD form 50066 if the victim knows the name of the perpetrator and it is safe to provide it.
- The Housing Authority is expanding the VAWA notification requirements to include applicants that are denied assistance, when a person is admitted, and when a tenant is notified of eviction/termination.

Section 24 of the Code of Federal Regulations, Part 903.17, requires a public hearing to approve the Annual Plan. Copies of the Annual Plan were made available for review and comment during a public comment period from December 27, 2013 to February 9, 2014 at 11 housing developments, the South Whittier Community Resource Center, Housing Authority administrative offices, and the Housing Authority website. Notices of the availability of the documents and the public hearing were also published in newspapers of general circulation during the public comment period.

The Summary of Public Outreach regarding the Annual Plan and a list of the thirteen Public Housing Program developments in the Capital Fund Annual Statement for Fiscal Year 2014-2015 are provided as Attachments A and B, respectively.

At the conclusion of the Public Review and Comment period, the Housing Authority will provide to the Board all public comments pertaining to the Annual Plan. At the conclusion of the public hearing, public comments approved by the Board will be incorporated into the Annual Plan and submitted to HUD.

ENVIRONMENTAL DOCUMENTATION

These activities are exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(1), because they involve planning activities that will not have a physical impact on or result in any physical changes to the environment. The activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

Prior to implementation of any particular project, an Environmental Service Request will be submitted to the Community Development Commission's Environmental Services Unit for review. Each project will receive an environmental clearance in accordance with CEQA Guidelines and NEPA regulations before proceeding with the project.

IMPACT ON CURRENT PROGRAMS

Submission of the Annual Plan is required by HUD for the receipt of CFP funds and for the continuation of the Public Housing and Housing Choice Voucher Programs.

Respectfully submitted,

SEAN ROGAN
Executive Director

Enclosures

Attachment A

Summary of Public Outreach

Section 511 of the QHWRA instructs every public housing authority to convene one or more Resident Advisory Boards (RABs) to assist and make recommendations on the development of the Annual Plan, as well as on any significant amendments or modifications. Public Housing Program residents and Section 8 Program participants were invited to participate on the RAB to learn about programs included in the Annual Plan and to provide input.

Summary of RAB Activities

Public Housing Program

- On July 9, 2013 and October 8, 2013, separate Resident Council Forums were held at Nueva Maravilla and the Annual Plan was summarized to the Resident Councils. The HA encouraged all Resident Council members to participate in the upcoming monthly RAB meetings. Staff provided an overview and review of the Annual Plan timeline, outline and proposed policy and program changes for Fiscal Year 2014-2015.
- On October 23, 2013, the Housing Authority sent a letter inviting all Resident Councils to attend scheduled RAB meetings.
- Twenty Resident Council members volunteered to participate in the development of the Annual Plan.
- Two public housing RAB meetings were held. The meetings on November 13, 2013 and December 11, 2013 were held in the Nueva Maravilla housing development community room (4919 Cesar E. Chavez Avenue, Los Angeles CA 90022).
- On January 14, 2014, a Resident Council Forum was held at the Nueva Maravilla housing development community room and all final policy changes were summarized to the Resident Councils.

Section 8

- An ongoing RAB recruitment is published on the hacola.org website.
- In August 2013, an invitation to attend two RAB meetings was sent to all RAB members.
- Eighteen RAB members volunteered to participate in the development of the Annual Plan.
- Two Section 8 RAB meetings were held in November 2013 in the Antelope Valley and Alhambra Administrative Offices.

Other Outreach Activities

- A summary of the RAB comments and Housing Authority responses are included in Attachment F of the Annual Plan.
- Spanish translators were provided during the Public Housing and Section 8 RAB meetings if requested.
- In December 2013, a public notice was mailed to all Public Housing residents notifying them of the Public Review and Comment Period.
- In December 2013, a public notice announcing the Public Review and Comment Period was published in the Los Angeles Times, La Opinion, the Daily News, Wave Community Newspaper, International Daily News, L.A. Sentinel and the Long Beach Press Telegram. The names of bilingual (Spanish and Russian) Housing Authority staff contacts were provided in the public notice.
- During the Public Review and Comment Period, the Annual Plan was made available at 11 housing developments, the South Whittier Community Resource Center, the Housing Authority Administrative Office in Alhambra, the Section 8 Palmdale office and the Housing Authority website.
- Summaries of the Annual Plan were available during the Public Review and Comment Period in Russian, Korean, Spanish and Mandarin Chinese at the above locations.
- Information regarding the RAB and the Annual Plan is published annually in the Section 8 Tenant Talk newsletter.

Attachment B

| <u>Housing Development</u> | <u>Address</u> | <u>District</u> |
|---------------------------------|---|-----------------|
| 1. Nueva Maravilla | 4919 E. Cesar E. Chavez Los Angeles, CA 90022 | 1 |
| 2. Francisquito Villa | 14622 Francisquito Ave. La Puente, CA 91746 | 1 |
| 3. 4 th and Mednik | 341 So. Mednik Ave. Los Angeles, CA 90022 | 1 |
| 4. Southbay Gardens | 230 E. 130 th Street Los Angeles, CA 90061 | 2 |
| 5. West 90 th Street | 1115-16 W. 90 th Street Los Angeles, CA 90044 | 2 |
| 6. Big Normandie | 11431-463 S. Normandie Ave. Los Angeles, CA 90047 | 2 |
| 7. Palm Apartments | 959 Palm Ave., West Hollywood, CA 90069 | 3 |
| 8. West Knoll | 838 West Knoll Ave., West Hollywood | 3 |
| 9. Marina Manor I | 3401 Via Dolce Marina Del Rey, CA 90292 | 3 |
| 10. Marina Manor II | 3401 Via Dolce Marina Del Rey, CA 90292 | 3 |
| 11. Carmelitos Family | 700 Via Wanda Long Beach, CA 90805 | 4 |
| 12. Harbor Hills | 26607 S. Western Ave. Lomita, CA 90717 | 4 |
| 13. Orchard Arms | 23410-23540 Wiley Canyon Rd. Valencia, CA 91355 | 5 |



**HOUSING AUTHORITY
of the County of Los Angeles**

700 W. Main Street • Alhambra, CA 91801

Tel: 626.262.4510 • TDD: 855.892.6095 • www.hacola.org

**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

February 26, 2014

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
700 West Main Street
Alhambra, California 91801

Dear Commissioners:

**ADOPT RESOLUTION AUTHORIZING ISSUANCE OF TAX-EXEMPT MULTIFAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY
HOUSING IN THE CITY OF SANTA MONICA
(DISTRICT 3)**

SUBJECT

This letter recommends the issuance, sale and delivery of tax-exempt multifamily housing mortgage revenue bonds to finance site acquisition and rehabilitation of the Santa Monica Rental Housing Construction Program (RHCP) development, a 41-unit multifamily rental housing development located in the City of Santa Monica.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of tax-exempt multifamily housing mortgage revenue bonds (Bonds) by the Housing Authority, in an amount not exceeding \$4,500,000 to Santa Monica RHCP, L.P. (Developer), a California Limited Partnership, to finance site acquisition and rehabilitation of 41 units of multifamily rental housing located at 1855 9th Street, 1450 14th Street, and 2006 20th Street in the City of Santa Monica.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to negotiate, execute and, if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Bonds, following approval as to form by County Counsel.

3. Recommend that the Board of Commissioners find that adoption of this Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale and delivery of the tax-exempt Bonds, in an aggregate amount not to exceed \$4,500,000, to finance site acquisition and rehabilitation of Santa Monica RHCP (Project).

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all Bond fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project is located at scattered sites at 1855 9th Street, 1450 14th Street, and 2006 20th Street in the City of Santa Monica and is comprised of 29 two-bedroom units and 12 three-bedroom units. Eight of the units will be reserved for households with incomes that do not exceed 50% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Thirty-two units will be reserved for households with incomes that do not exceed 60% of AMI. The affordability requirements will remain in effect for 55 years, except for the manager's unit, which will have no affordability requirements.

On June 11, 2013, the City Council of the Santa Monica adopted a resolution authorizing the Housing Authority to issue multifamily revenue bonds to finance site acquisition and rehabilitation of the Project.

On June 21, 2013, the Housing Authority conducted a public hearing at its office located at 700 W. Main Street in Alhambra regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

On July 9, 2013, the Board of Commissioners adopted an Inducement Resolution declaring the intent of the Housing Authority to undertake the financing of a multifamily housing mortgage revenue bond project in accordance with United States Treasury Department Regulations. This action established a base date after which Project costs incurred by the Developer could be included in the permanent financing obtained

through the issuance of tax-exempt bonds. At that time, the partnership was known as Santa Monica-Villa Nueva RHCP, L.P., and is now known as Santa Monica RHCP L.P. On July 9, 2013, the Board of Supervisors adopted a resolution approving issuance of the bonds, as authorized by Section 147(f) of the Internal Revenue Code of 1986.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel. All other related documents, in substantially final form, are on file with the Executive Office of the Board. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

This action, adopting a Resolution authorizing the issuance of tax-exempt multifamily housing mortgage revenue bonds, is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action is a necessary step to provide bond financing for the Project, which will increase the supply of affordable housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN
Executive Director

Enclosure

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF
MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$4,500,000 FOR THE PURPOSE
OF MAKING A LOAN TO PROVIDE FINANCING FOR A MULTIFAMILY
RENTAL HOUSING PROJECT KNOWN AS SANTA MONICA RHCP
APARTMENTS, DETERMINING AND PRESCRIBING CERTAIN MATTERS
RELATING THERETO, AND APPROVING AND AUTHORIZING THE
EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, The Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, there has been prepared and presented to this Board for consideration at this meeting the documentation required for the issuance of bonds for the financing of the Santa Monica RHCP Apartments, consisting of scattered site units located at 1855 9th Street, 1450 14th Street, and 2006 20th Street, Santa Monica, California 90404 in Los Angeles County (the "Project") for the benefit of Santa Monica RHCP, L.P., a California limited partnership, formerly known as Santa Monica-Villa Nueva, L.P.; and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Los Angeles, as follows:

1. It is hereby found and determined that it is necessary and desirable for the Authority to provide financing for the Project through the issuance and sale of the Bonds (as hereinafter defined) in order to assist in the acquisition, construction, rehabilitation and development of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate financing for the Project, the Authority hereby determines to issue its Multifamily Housing Revenue Bonds (Santa Monica RHCP Apartments), 2014 Series A (or such other series designation as may be designated by officers or agents of the Authority), in one or more series or subseries, each with an appropriate series designation (the "Bonds"), in an aggregate principal amount not to exceed \$4,500,000. The Bonds shall bear interest at the interest rates set forth in or determined in accordance with a trust indenture (the "Indenture"), maturing as provided in the Indenture, but not later than 35 years from the date of issue. The Bonds shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are permitted or

required by the Indenture, which shall be appropriately completed when the Bonds are prepared.

The Bonds shall be a limited obligation of the Authority payable solely from the revenues, receipts and other moneys pledged therefor under the Indenture.

The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairman of this Board or the Executive Director of the Authority.

3. The proposed form of Indenture, in the form presented to this meeting, is hereby approved. The Chairman of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the Authority and Bond Counsel to the Authority (provided that such additions or changes shall not authorize an aggregate principal amount of Bonds in excess of the amount stated above or result in an initial interest rate on the Bonds in excess of 9%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Indenture. The Bonds may, if so provided in the Indenture, be issued as "draw down" bonds to be funded over time as provided in the Indenture. The date, maturity date, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

4. The proposed form of Loan Agreement (the "Loan Agreement"), in the form presented to this meeting, is hereby approved. The Chairman of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Loan Agreement.

5. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") in the form presented to this meeting, is hereby approved. The Chairman of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the Authority or his designee as administrator/manager with respect to the Project and other matters arising in connection with the Bonds (the "Administrator").

7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any redemption of the Bonds, may be given or taken by the Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

8. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, including the execution and delivery of the Cooperation Agreement with the City of Santa Monica, and the proper officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Indenture and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority.

9. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

10. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this ____ day of _____, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Don Knabe
Chairman of the Board of Commissioners

ATTEST:

SACHI A. HAMAI,
Executive Officer-Clerk
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI,
County Counsel

By: _____
Deputy



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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

February 26, 2014

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
700 West Main Street
Alhambra, California 91801

Dear Commissioners:

**ADOPT RESOLUTION AUTHORIZING ISSUANCE OF TAX-EXEMPT MULTIFAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN
UNINCORPORATED EAST LOS ANGELES
(DISTRICT 1)**

SUBJECT

This letter recommends the issuance, sale and delivery of tax-exempt multifamily housing mortgage revenue bonds to finance site acquisition and rehabilitation of the Villa Nueva Rental Housing Construction Program (RHCP) development, a 21-unit multifamily rental housing development located in unincorporated East Los Angeles.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign the attached Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of tax-exempt multifamily housing mortgage revenue bonds (Bonds) by the Housing Authority, in an aggregate amount not exceeding \$2,300,000 to Villa Nueva RHCP, L.P. (Developer), a California Limited Partnership, to finance site acquisition and rehabilitation of a 21-unit multifamily rental housing development located at 658-676 S. Ferris Avenue in unincorporated East Los Angeles.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to negotiate, execute and, if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Bonds, following approval as to form by County Counsel.

3. Recommend that the Board of Commissioners find that adoption of this Resolution is not subject to the California Environmental Quality Act (CEQA) because the action will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale and delivery of the tax-exempt Bonds, in an aggregate amount not to exceed \$2,300,000 to finance site acquisition and rehabilitation of Villa Nueva RHCP (Project).

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all Bond fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project is located at 658-676 S. Ferris Avenue in unincorporated East Los Angeles, and is comprised of 21 two-bedroom units. Nine of the units will be reserved for households with incomes that do not exceed 50% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Eleven units will be reserved for households with incomes that do not exceed 60% of AMI. The affordability requirements will remain in effect for 55 years, except for the manager's unit, which will have no affordability requirements.

On June 21, 2013, the Housing Authority conducted a public hearing, at its office located at 700 W. Main Street in Alhambra regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

On July 9, 2013, the Board of Commissioners adopted an Inducement Resolution declaring the intent of the Housing Authority to undertake the financing of a multifamily housing mortgage revenue bond project in accordance with United States Treasury Department Regulations. This action established a base date after which Project costs incurred by the Developer could be included in the permanent financing obtained through the issuance of tax-exempt bonds. At that time the partnership was known as Santa Monica-Villa Nueva RHCP L.P., and is now known as Villa Nueva RHCP L.P.

On July 9, 2013, the Board of Supervisors adopted a resolution approving issuance of the bonds, as authorized by Section 147(f) of the Internal Revenue Code of 1986.

Honorable Housing Commissioners

February 26, 2014

Page 3

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel. All other related documents, in substantially final form, are on file with the Executive Office of the Board. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

This action, adopting a Resolution authorizing the issuance of tax-exempt Multifamily Housing Mortgage Revenue Bonds, is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed action is a necessary step to provide bond financing for the Project, which will increase the supply of affordable housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN
Executive Director

Enclosure

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,300,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS VILLA NUEVA RHCP APARTMENTS, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, The Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, there has been prepared and presented to this Board for consideration at this meeting the documentation required for the issuance of bonds for the financing of the Villa Nueva RHCP Apartments located at 658-676 S. Ferris Avenue in unincorporated Los Angeles County (the "Project") for the benefit of Villa Nueva RHCP, LP, a California limited partnership and an affiliate and designee of Santa Monica—Villa Nueva, LP; and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Los Angeles, as follows:

1. It is hereby found and determined that it is necessary and desirable for the Authority to provide financing for the Project through the issuance and sale of the Bonds (as hereinafter defined) in order to assist in the acquisition, construction, rehabilitation and development of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate financing for the Project, the Authority hereby determines to issue its Multifamily Housing Revenue Bonds (Villa Nueva RHCP Apartments), 2014 Series B (or such other series designation as may be designated by officers or agents of the Authority), in one or more series or subseries, each with an appropriate series designation (the "Bonds"), in an aggregate principal amount not to exceed \$2,300,000. The Bonds shall bear interest at the interest rates set forth in or determined in accordance with a trust indenture (the "Indenture"), maturing as provided in the Indenture, but not later than 35 years from the date of issue. The Bonds shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Indenture, which shall be appropriately completed when the Bonds are prepared.

The Bonds shall be a limited obligation of the Authority payable solely from the revenues, receipts and other moneys pledged therefor under the Indenture.

The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of this Board or the Executive Director of the Authority.

3. The proposed form of Indenture, in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the Authority and Bond Counsel to the Authority (provided that such additions or changes shall not authorize an aggregate principal amount of Bonds in excess of the amount stated above or result in an initial interest rate on the Bonds in excess of 9%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Indenture. The Bonds may, if so provided in the Indenture, be issued as a "draw down" bonds to be funded over time as provided in the Indenture. The date, maturity date, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

4. The proposed form of Loan Agreement (the "Loan Agreement"), in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Loan Agreement.

5. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority or his designee are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the Authority or his designee as administrator/manager with respect to the Project and other matters arising in connection with the Bonds (the "Administrator").

7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether

before or after the issuance of the Bonds, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any redemption of the Bonds, may be given or taken by the Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

8. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Indenture and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority.

9. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

10. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this ____ day of _____, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Don Knabe
Chairman of the Board of Commissioners

ATTEST:

SACHI A. HAMAI,
Executive Officer-Clerk
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI,
County Counsel

By: _____
Deputy